

IPERS BENEFITS ADVISORY COMMITTEE
Monday, September 10, 2007
IPERS Board Room

The following people were in attendance at the IPERS Benefits Advisory Committee meeting that was held in the IPERS Board Room on Monday, September 10, 2007.

Members of the Benefits Advisory Committee

Len Cockman, Brad Hudson, Bill Sage, Alan Kemp, Walt Galvin, Maxine Moore Ballard, Lewis Washington, Pat Lynch, Gaylord Tryon, and M.J. Dolan – Diane Reid and Janie Garr participated via conference call.

Absent: Mollie Anderson and Jim Maloney.

IPERS Administration and Staff

Donna Mueller, Chief Executive Officer; David Martin, Chief Benefits Officer; Melinda Prince, Executive Assistant; Julie Economaki, Public Information Officer; Leon Schwartz, Chief Operations Office; Bob Sharp, Project Manager; and Kelly Lovell, General Counsel.

BAC Alternates

BAC Alternates: Mathelle Carlson, IPERS Improvement Association, and Susan Cameron, Iowa State Sheriffs and Deputies Association.

Public Members

Ed Cook, Jenifer Parson, Kelly Ryan, Steve Timmins, Jennifer Acton, Deb Helsen, Corwin Ritchie, Bob Seivert, Paul Houston, and Brett Williams.

Call to Order

Meeting called to order at 1:03 p.m. by chair Len Cockman.

Alan Kemp made the motion to approve the minutes from the August 13, 2007, BAC meeting with one correction. Under Asset/Liability Study remove the word “probably”. Pat Lynch seconded, the motion carried by unanimous voice vote.

Len Cockman introduced M.J. Dolan, Executive Director for the Iowa Association of Community College Trustees.

Strategic Planning Update - Donna Mueller

Donna reviewed Draft 2 of IPERS’ strategic plan for 2007-2010. This draft incorporates changes made in response to comments received from the BAC. The BAC unanimously supported the document.

2008 IPERS Proposed Legislative Package - Kelly Lovell

Kelly reviewed IPERS' proposed 2008 legislative items. Added to the list since presented to the BAC in August is to amend 97B.11 allowing IPERS to adjust the contribution rates for regular members as it does for Special Service members. Lewis Washington made the motion that the BAC supports the proposed legislative package. Brad Hudson seconded, the motion carried by unanimous roll call vote.

I-Que Wage and Contributions Reporting - David Martin

No change to the report as presented in August. Lewis Washington made the motion to support the proposed employer reporting requirements, fee structure, and training efforts as outlined in David's presentation. Pat Lynch seconded, the motion carried by unanimous roll call vote.

Ad Hoc Committee Report on Requests for Protection Occupation Membership - Bill Sage

Bill reported that the ad hoc committee met on August 30, 2007, to further review the requests received from the Iowa County Attorneys and Assistant County Attorneys (ICAA) and the Iowa Emergency Medical Services Association for inclusion in the protection occupation class.

The committee felt that ICAA did not meet the BAC's established guidelines for consideration of protection occupation membership. The committee recommended to the BAC that they authorize the actuary to conduct two cost studies for ICAA with the expenditures coming from the BAC's budget. The first study would examine the cost of establishing a separate group under IPERS with benefits that mirror the protection occupation class with retroactive application to beginning membership in IPERS as either a county attorney or assistant county attorney. The second cost study would be the same, with the exception of no retroactivity. Gaylord Tryon made the motion to accept the committee's recommendation. Pat Lynch seconded, the motion carried with six voting members in favor, one opposed, and two members absent.

Bill Sage next reported that the ad hoc committee recommends to the BAC that the Iowa Emergency Medical Services Association fits the BAC's established guidelines for consideration of protection occupation and that a cost study be conducted with expenditures coming from the BAC's budget. Brad Hudson made the motion to accept the committee's recommendation. Pat Lynch seconded, the motion carried unanimous roll call vote.

The committee recommended that it be retained as a standing committee. Future requests for protection occupation coverage should first be presented to the full BAC. If necessary the requests may be referred to the standing committee. No motion was made supporting this recommendation.

Request for Protection Occupation - Polk County Attorney Special Investigators

Paul Houston and Brett Williams from the Polk County Attorneys Office made a presentation to the BAC requesting inclusion in the protection occupation class for the six individuals performing duties of investigators.

Pat Lynch made the motion that the Polk County Attorney Investigators meet the BAC's established guidelines and would support legislation for inclusion in the protection occupation class with benefits prospective. Lewis Washington seconded, the motion carried by unanimous roll call vote.

Gaylord Tryon made the motion that IPERS conduct an actuarial cost study for the group with expenditures to come from the BAC's budget. Brad Hudson seconded, the motion carried by unanimous voice vote.

Request for Protection Occupation - Iowa Emergency Managers Association

Bob Seivert from the Iowa Emergency Managers Association made a presentation to the BAC requesting inclusion in the protection occupation class. This request is for approximately 100 emergency managers.

Diane Reid made the motion to refer the request to the standing committee assigned to further study protection occupation requests. Pat Lynch seconded. The motion failed with three members voting in favor, four members voting against, and two members absent.

Lewis Washington then made the motion that the Iowa Emergency Managers Association does not meet all the established guidelines in particular the guideline that the duties must be "physically demanding" requiring strength, speed, stamina, or agility or some combination thereof. Diane Reid seconded, the motion passed with five voting members in favor, two opposed, and two members absent.

Request to Increase the Maximum Payout to 76 percent - Bill Sage

Bill Sage requested the BAC authorize and pay for two cost studies, for members of both special service groups, to bring total payout to 76 percent, two percent per year for the last eight years. The benefit would be prospective. Diane Reid seconded. Discussion was held regarding the method of implementation, the unknown cost for the two studies, and possibly a similar study regarding the maximum payout for IPERS regular members. Gaylord Tryon made a motion to table the motion until the October 8, 2007, BAC meeting. Brad Hudson seconded, the motion passed with six voting members in favor, one abstention, and two members absent.

IPERS FY2009 Budget Request - Leon Schwartz

Leon presented a draft of IPERS' FY2009 budget. He stated that once again IPERS is proposing a status quo budget for the general delivery of services. The slight increase over the FY2008 budget is an additional request to cover higher costs assessed by the Department

of Administrative Services for the use of I/3, the State's financial system. Brad Hudson made the motion to support the proposed 2009 budget. Pat Lynch seconded, the motion carried by unanimous voice vote.

Other Business

Brad Hudson commented that the BAC needs to adopt a policy around the cost studies because of the number of groups requesting inclusion in the protection occupation class, and the BAC's budget limited to \$50,000 per fiscal year. He stated that requests currently have related to the protection occupation class and the regular membership may have requests as well.

Brad Hudson made the motion that the BAC creates a committee to look at policy around cost studies and the budget of the BAC. Alan Kemp seconded, the motion carried by unanimous voice vote. Committee members are: Len Cockman, Brad Hudson, Pat Lynch, Alan Kemp, and Gaylord Tryon.

Public Comments

Ed Cook stated that the pension interim committee will be meeting October 31 and November 1, 2007, in the Supreme Court chambers. At this time, IPERS is scheduled for November 1, 2007, to make a presentation please contact Ed Cook.

Future Meeting Dates

The next meeting date of the BAC is October 8, 2007. With no further business to come before the committee, Alan Kemp made the motion to adjourn the meeting. Pat Lynch seconded, the motion carried by unanimous voice vote. The meeting adjourned at 4:02pm.